

LOAN application for water conservation project construction

California Department of Water Resources
Division of Planning and Local Assistance
Division of Fiscal Services

March 1998



Introduction

The Safe, Clean, Reliable Water Supply Act (*Proposition 204*) authorizes the California Department of Water Resources (*DWR*) to sell \$25 million of general obligation bonds for low-interest loans to local agencies for groundwater recharge and water conservation project and facility construction.

Up to \$5 million is available for each construction project. The interest rate for these loans will be equal to one-half the rate that the State pays on the general obligation bonds sold to finance the program.

This application is for local agencies seeking only a construction loan for a water conservation construction project.

A separate application is to be used for applicants seeking a feasibility study loan. To request a feasibility study loan application, call DWR's Division of Planning and Local Assistance at 916/327-1775.

The applicant should initially complete only Parts A and B on pages 9 to 21 of this application package and submit them to DWR to establish initial eligibility of the applicant and project. Once DWR establishes eligibil-

ity, the applicant will be notified to complete and submit the remainder of the application.

The applicant agency is responsible for repaying the construction loan. If the agency wishes to begin work before a contract is executed with DWR and obtain reimbursement for these costs, the agency must contact DWR at 916/327-1663 prior to incurring costs.

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General instructions

Who can apply?

Local agencies are eligible for loans. A local agency is any city, county, city and county, district, joint powers authority, or other political subdivision of the State involved in water management.

Eligible projects may include:

- ▶ lining or piping canals or ditches
- ▶ replacing mains
- ▶ replacing distribution system controls
- ▶ repairing leaking reservoirs
- ▶ covering or lining open reservoirs
- ▶ constructing re-regulating reservoirs within distribution systems to conserve already developed water
- ▶ constructing pipelines to distribute recycled water for reuse (*to replace existing potable water supplies*)
- ▶ installing water meters
- ▶ replacing leaking water tanks
- ▶ installing ultra-low flush toilets
- ▶ constructing tailwater pumpback recovery systems
- ▶ improving on-farm irrigation systems

Projects that develop new water supplies (*such as constructing a new reservoir*) are not eligible under this program, but may be eligible under the Proposition 204 local projects program. Call 916/327-1775 and leave a message to get more information about the local projects program.

▼ What happens after submitting the application?

DWR will evaluate applications for water conservation loans based on the following criteria:

	Points
Cost effectiveness	50
Water savings	30
Engineering & hydrologic feasibility	20
Total	100

The proposed project must have a benefit-to-cost ratio equal to or greater than 1.0 for the project to be eligible for funding.

When an application is complete and has a minimum score of at least 70 points, DWR will move the project into priority "A." All priority "A" projects will immediately become eligible for funding.

Help in completing the application

DWR needs specific information to evaluate your loan request. For help in completing the application, contact the following:

Questions about Part A should be referred to:

Linda Buchanan Herzberg
Department of Water Resources
Division of Planning and Local Assistance
Sacramento
Telephone: 916/327-1663
Fax: 916/327-1648
E-mail: lbh@water.ca.gov

Questions about Parts B, C, E, and F should be referred to:

David Rolph
Division of Planning and Local Assistance
Department of Water Resources
Sacramento
Telephone: 916/445-8259
Fax: 916/327-1648
E-mail: drolph@water.ca.gov

Questions about Part D should be referred to:

Steve Cowdin
Division of Planning and Local Assistance
Department of Water Resources
Sacramento
Telephone: 916/653-8166
FAX: 916/653-6077
E-mail: scowdin@water.ca.gov

Submitting the application

The forms and attachments described in this booklet are required for a completed application. Appendix I on page 31 is a checklist of all the requirements for a completed application.

Note: To establish initial eligibility, submit only Parts A and B on pages 9 to 21 of this application (*include any applicable attachments*). Once provisional eligibility has been established, submit the remainder of the application at that time. See the notice on page 8.

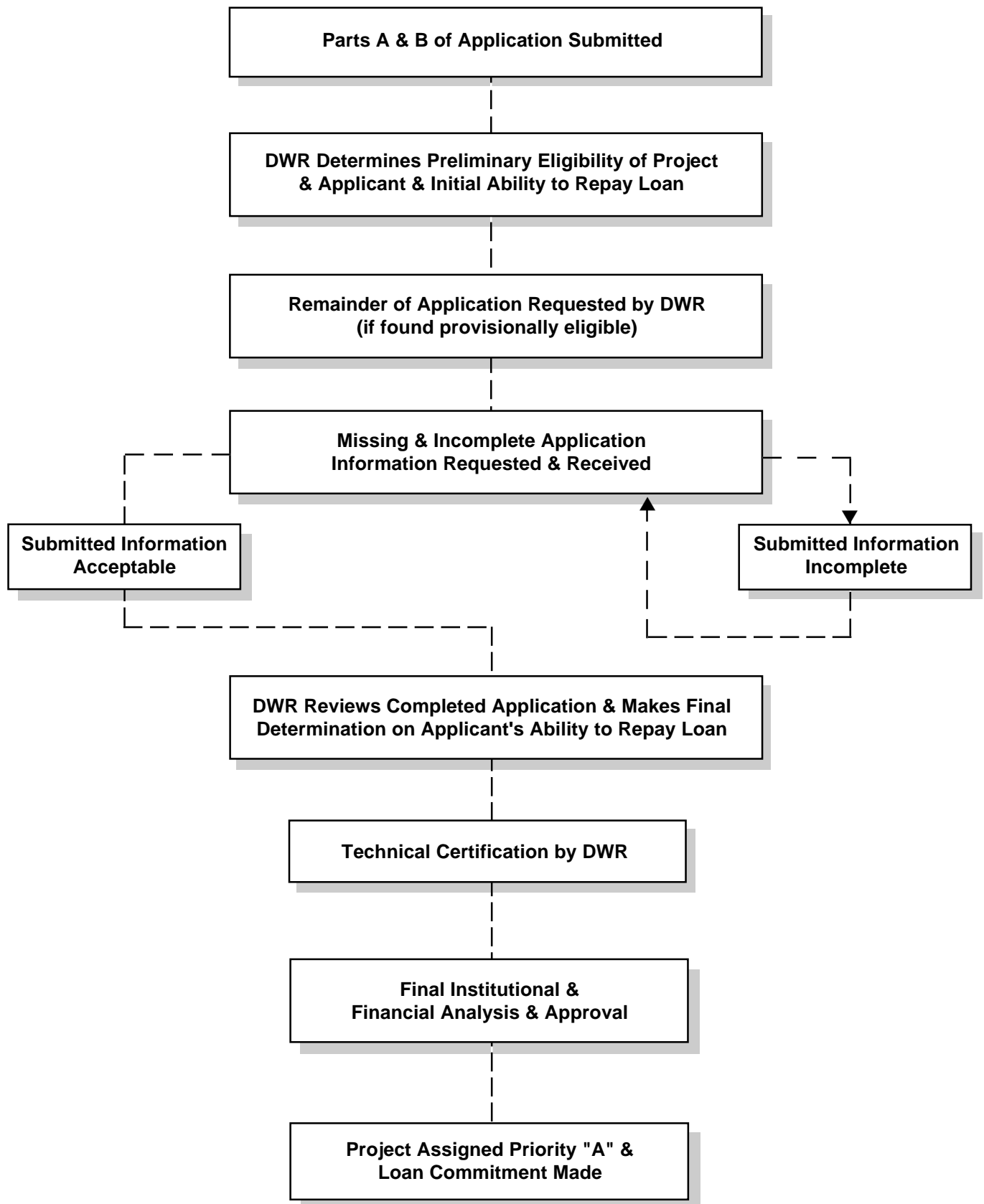
Please submit three (3) copies of the application to:

Division of Planning and Local
Assistance
Department of Water Resources
Post Office Box 942836
Sacramento, CA 94236-0001
Attention: Financial Assistance Unit

This application is for projects either ready for construction or nearing construction. If you do not have sufficient information to complete this application, consider applying for a feasibility study loan. To get a feasibility study application, contact:

Financial Assistance Unit
Division of Planning and Local
Assistance
Department of Water Resources
Sacramento
Telephone: 916/327-1775

Proposition 204 construction loan application process



Important!

Submit only Parts A & B of this application (*and applicable attachments*) to establish initial eligibility. If eligible, you will be notified to submit the remainder of the application.

Part A—Organizational, financial and legal information

State of California, The Resources Agency, Department of Water Resources

A-1

Application cover sheet

Application for a construction loan for a water conservation project under the Safe, Clean, Reliable Water Supply Act

The _____
(Exact legal name of agency applying for and repaying loan)

of _____
(Mailing address of agency)

of the County of _____, State of California, does hereby apply to
the California Department of Water Resources for a loan in the amount of \$ _____
for construction of the following project under the Safe, Clean, Reliable Water Supply Act:

(Specify project title)

Requested repayment term is _____ years (not to exceed 20 years).

The application is to: ☐ Line or pipe a previously unlined canal or ditch
☐ Replace leaking water distribution mains
☐ Install meters, telemetry, or automated system controls
☐ Install ultra-low-flush toilets or other water-saving devices
☐ Construct re-regulating reservoirs to conserve already-developed water
☐ Install on-farm irrigation systems to improve efficiency
☐ Other (describe) _____

By _____ Date _____
(Signature of authorized representative, see Section A-5 on page 14)

(Print or type name of authorized representative)

Title _____

Telephone (____) _____

Fax (____) _____

E-mail _____

A-2

Agency representatives

Project contact person:

Name _____

Title _____

Telephone (____) _____

Fax (____) _____

E-mail _____

Alternate contact person:

Name _____

Title _____

Telephone (____) _____

Fax (____) _____

E-mail _____

Type of Organization: _____
(Water district, irrigation district, city, etc.)

California Assembly Representative: _____

District No. _____

California Senate Representative: _____

District No. _____

Attach a copy of agency charter and the names and titles of agency officers.

Mark as Attachment A-2.

A-3**Project cost**

- 1) Prepare a proposed project budget (*complete Attachment A-3, "Project Budget—Capital Costs"; see Table A-3 on page 13 for a sample project budget*).
- 2) Provide financing information about the proposed project (*see below*).

Mark as Attachment A-3.

Total cost of project: \$ _____

Amount to be funded under the Safe, Clean,
Reliable Water Supply Act: \$ _____

Requested repayment term: _____
(Years)

Amount to be funded by the agency: \$ _____

Indicate agency's source of funds: _____

Amount to be funded externally \$ _____
(Include any other pending applications)

Lender: _____

Lender: _____

Amount: \$ _____

Amount: \$ _____

Interest Rate: _____ Percent

Interest Rate: _____ Percent

Term: _____ Years

Term: _____ Years

Annual Payment: \$ _____

Annual Payment: \$ _____

Attachment A-3
Project budget—capital costs

Capital Cost Category	Item Description	Who will perform work?	Item Quantity	Unit Cost in Dollars	Extended Cost in Dollars	Contingency Cost @ 15%	Subtotals
Land Purchase/Easement							
Planning/Design/Engineering							
Materials/Installation							
Structures							
Equipment Purchases/Rentals							
Environmental Mitigation/Enhancement							
PROJECT SUBTOTAL							
Construction Administration & Overhead							
Legal & License Fees							
Other							
TOTALS							

Table A-3
Sample project budget—capital costs

Capital Cost Category	Item Description	Who will perform work?	Item Quantity	Unit Cost in Dollars	Extended Cost in Dollars	Contingency Cost @ 15%	Subtotals
Land Purchase/Easement	Land Purchase/ Easement	Staff	10,000 l.f.	\$95	\$950,000	\$142,500	\$1,092,500
Planning/Design/ Engineering	Plans, Specifications Inspection	Staff	1	\$100,000	\$100,000	\$15,000	\$115,000
Materials/Installation	Steel pipe, 36-inch, pipe fittings, in- stallation	Contractor	9,500 l.f.	\$115	\$1,092,500	\$163,875	\$1,256,375
Structures	Inlet structure (lump sum)	Contractor	1	\$18,000	\$18,000	\$2,700	\$20,700
Equipment Purchases/ Rentals	Not Applicable						
Environmental Mitigation/ Enhancement	Wildlife drinking bubblers, replanting	Contractor	1	\$3,500	\$3,500	\$525	\$4,025
PROJECT SUBTOTAL					\$2,164,000	\$324,600	\$2,488,600
Construction Administration & Overhead	Office work, meet- ings, CEQA	Staff	5%	\$2,488,600	\$124,430	\$18,664	\$143,094
Legal & License Fees	Technical certifica- tion, contracts	staff counsel	2%	\$2,488,600	\$49,772	\$7,466	\$57,238
Other	Not Applicable						
TOTALS					\$2,338,202	\$350,730	\$2,688,932

A-4**Plat map of service area**

Provide a plat map of the service area responsible for loan repayment, including a list of all property parcels affected by the debt. It may be an entire district or an assessment district.

Mark as Attachment A-4.

A-5**Authorizing resolution**

Include a resolution adopted by the agency's governing body authorizing the application for a water conservation facilities loan under this program and designating a representative to sign the application. Appendix II on page 32 is a sample resolution format.

Mark as Attachment A-5.

A-6**Financial statements**

Attach copies of financial statements for the last three fiscal years of agency operation. Include balance sheets, income statements, sources and uses of funds statements, and the most recent annual budget. Please provide separate detail for the Water Enterprise Fund.

Mark as Attachment A-6.

A-7**Cash reserves**

List all cash reserves (*restricted and unrestricted*) and any planned uses of those reserves.

Mark as Attachment A-7.

A-8**Existing debt**

Summary of all existing agency long-term indebtedness, including bonds and any pending indebtedness (e.g., USDA Rural Development or EDA loans). If necessary, include additional pages.

Mark as Attachment A-8.

Lender: _____	Lender: _____	Lender: _____
Original Principal \$ _____	Original Principal \$ _____	Original Principal \$ _____
Purpose: _____	Purpose: _____	Purpose: _____
Original Date: _____	Original Date: _____	Original Date: _____
Original Terms:	Original Terms:	Original Terms:
Percent _____ Years _____	Percent _____ Years _____	Percent _____ Years _____
Annual Payment _____	Annual Payment _____	Annual Payment _____
Current Principal \$ _____	Current Principal \$ _____	Current Principal \$ _____
Remaining years to pay _____	Remaining years to pay _____	Remaining years to pay _____

Has this agency ever issued bonds or notes for debt? Yes ☐ No ☐

If yes, provide the following information for the two most recent issues:

Purpose	Purpose
(Check one) <input type="checkbox"/> General Obligation <input type="checkbox"/> Revenue Bond	(Check one) <input type="checkbox"/> General Obligation <input type="checkbox"/> Revenue Bond
Principal Amount \$ _____	Principal Amount \$ _____
Interest Rate True interest cost <input type="text"/> Net interest cost <input type="text"/>	Interest Rate True interest cost <input type="text"/> Net interest cost <input type="text"/>
Terms _____	Terms _____
Date of Issue _____	Date of Issue _____
Rating _____	Rating _____
Rating Agency _____	Rating Agency _____

How will the proposed DWR loan affect long-term and short-term financial capacity (qualitatively/quantitatively)? _____

Current debt-to-income ratio: _____
(Percent)

After proposed loan: _____
(Percent)

A-9**Repayment method**

Indicate the agency's proposed method to repay the construction loan:

- ☐ 1. Standby charges
- ☐ 2. Excess revenues

Source:

- ☐ 3. Cost savings
- ☐ 4. User fees: ☐ Flat rate ☐ Quantity of water used
- ☐ 5. Assessments
- ☐ 6. Other (*describe*):

If methods 1, 4, or 5 are to be used to repay the loan, include a plan to divide costs among the system users. Use dollar estimates.

Mark as Attachment A-9.

A-10**Loan security**

Explain how the agency proposes to secure this loan if required to do so by the State (*dedicated revenues, assessments, etc.*). Cite statutory authority to use this method to secure the loan.

Statutory Authority

Mark as Attachment A-10.

A-11**Rate and service structure**

Attach the agency rate structure for the last three (3) years.

Mark as Attachment A-11.

Estimated average monthly water bill: _____

Residential
Average month: _____

Agricultural
Average month: _____
(per acre-foot)

Peak month: _____ 19____

Peak month: _____ 19____

Total possible nonagricultural connections in service area: _____

Number of undeveloped parcels in service area: _____

Number of developed residential parcels: _____

Number of developed commercial parcels: _____

Indicate the approximate number of actual connections for the date and year listed below:

Number of Connections

Year/Date

Residential

Other

12/31/Current Year (CY)

12/31/CY + 1*

12/31/CY + 2*

12/31/CY + 3*

12/31/CY + 4*

** Projections*

Volume of water delivered through system per year: _____

A-12**Population data** *(not needed for agricultural projects)*

Total population of service area that will repay the loan:

Year-round/Permanent: _____ As of: _____
(Date)

Seasonal/Part-time: _____ As of: _____
(Date)

Seasonal peak population: _____ Persons per household: _____
(If applicable)

Source of information on population data:

Projected population:

Current Current
Year + 5 _____ Year + 10 _____

Source of information on projected population:

Household median income of water service area: \$ _____

As of: _____
(Date)

Source of information on household median income:

What tax rate areas are included in the area to benefit from or pay for the project? *(This information is available from the county assessor.)*

County median income:

(Available from the county planning department)

\$ _____ As of: _____
(Date)

Source of information on county median income:

Mark as Attachment A-12.

A-13**Agency authority**

Have the agency's attorney answer the following six questions pertaining specifically to this loan application. For each question, cite statutory authority or other references.

1. Does the agency have the legal authority to enter into a loan contract with the State of California, such as the proposed application? ____ Yes ____ No

Cite the statutory authority under which the agency may borrow funds for the purpose, amount, and duration requested.

2. What is the statutory authority under which the agency was formed and is authorized to operate?

3. Is the agency required to hold an election before entering into a loan contract with the State? ____ Yes ____ No

Cite the statutory authority or other references.

4. Does the agency have the legal authority to levy assessments and/or charges sufficient to repay the proposed State loan? (Also address *Loan Security, Part A-10, page 16.*)
____ Yes ____ No

Cite the statutory authority or other references.

5. Will a loan agreement between the agency and the State of California be subject to review and/or approval by other government agencies? ____ Yes ____ No

Identify all such agencies (*e.g., LAFCO, local governments, U.S. Forest Service, California Coastal Commission, Health Services, etc.*).

6. Describe any pending litigation that impacts the financial condition of the agency or the operation of the water facilities. If none is pending, so state.

Mark as Attachment A-13.

Part B—Project description

B-1

Map and narrative description of project

Provide a detailed narrative description of the proposed project, including a discussion of the project and the existing water conservation situation that has created the need for the project. (*Submit preliminary plans and specifications at a later date; see Part E, Engineering and hydrologic feasibility, page 27.*) The description should include a detailed map of the project area, preferably a 1:24,000-scale copy or original of a 7.5-minute USGS quad sheet, marked with the locations of the project components. If recycled water is to be used as a source, indicate the location of the existing or proposed water reclamation plant.

Mark the project description and map as Attachment B-1.

B-2

Legal description of project site

Provide a legal description of the project site, stating the location of the project (*including county, nearest city, section number(s), township, range, base, and meridian*). Include legal descriptions of beginning and ending points of the project, if available and applicable.

Mark as Attachment B-2.

B-3

Project timetable

Provide a timetable for the expected task and project completion. The timetable should be broken down to task or sub-task level of detail, and should indicate expected time requirements for completion of major project milestones, including: develop financing,

design project, acquire rights of way, acquire all necessary permits, prepare environmental documentation (*e.g., CEQA*), begin construction, complete construction.

The timetable should preferably be in a horizontal bar chart format. Tasks may overlap.

Note: If the proposed project is to be phased, expand the project timetable to include all the necessary information for each phase.

Mark as Attachment B-3.

Part C—Water savings

C-1

Total water savings to be produced by the project

Water systems experience water losses that can be eliminated or reduced. Losses can be a combination of evaporation, transpiration, and percolation to "unusable" or "usable" destinations within a hydrologic basin. This bond law program provides loans for capital outlay water conservation projects to help agencies eliminate or reduce these losses. For this program, the savings of water supplies currently being lost is termed "total annual water savings."

Include a narrative description of where, within the area of the proposed project, the total annual water losses are currently occurring (*e.g., to aquifers, streams, the atmosphere*). Explain how the project will reduce or eliminate those losses. Quantify the savings to occur by reducing or eliminating the water losses. Cite and attach any pertinent back-up data.

Mark as Attachment C-1.

If adequate data to calculate the total annual water savings are not available, estimate and then describe how the value was estimated. For assistance in determining the quantity of water savings, call the DWR staff listed in the "General instructions" section on page 5.

Calculate or estimate the total annual water savings (*in acre-feet per year*) to be produced by the project.

Enter this amount on Table 1 in Appendix III on page 33.

Note: DWR staff evaluation may result in changes to the estimates. Staff may call the

project contact person identified in the application if there are questions.

C-2

Project net water savings

Under this bond law program, all eligible water conservation projects must result in net water savings. Net water savings means savings achieved by reducing water losses that are currently going to an "unusable" destination from an already-developed primary water source(s). Net water savings can be achieved by reducing losses to evaporation, transpiration, and percolation or surface flows to saline or other unusable aquifer or water bodies. Applicants must demonstrate to DWR how the proposed water conservation project will result in net water savings.

Under this bond law program, the reduction or elimination of water losses percolating to usable groundwater aquifers or returning to streams where the water is available for reuse is not considered part of net water savings. The reduction or elimination of water losses recovered or potentially recoverable outside the local agency's service area is also not considered to be net water savings.

Explain, through a narrative description, how the proposed water conservation project will result in a net water savings.

Mark as Attachment C-2.

Part D—Economic justification

Part D evaluates the economic benefits and costs of water conservation projects. Tables 1 through 6 in Appendix III on pages 33 to 36 enable the applicant to develop a benefit/cost ratio for water conservation projects over a 50-year analysis period. A major difference between these tables and those used in earlier loan programs (such as Propositions 44 and 82) is that both the benefits and costs are measured on a cost/af basis rather than total discounted benefits and costs. Table 1 summarizes the project's performance (*total annual water savings*); Tables 2 through 4 summarize the project's capital and operations and maintenance (O&M) costs and computes a cost/af; Table 5 computes the project's water supply benefits using three possible methods; and Table 6 computes the B/C ratio. For projects to be considered cost-effective, the B/C ratio must be equal to or greater than one (*i.e., a project's benefits must be equal to or greater than its costs*). Figure D-1 on page 24 presents a flowchart illustrating the relationships of all of the above tables to each other.

D-1

Analysis assumptions

Applicants must use the following assumptions in determining the benefits and costs for the proposed project:

- **Period of analysis.** The economic evaluation will be based on a 50-year analysis period. Because of discounting, B/C ratios will not be significantly affected if projects have useful lives greater than 50 years. Conversely, if projects have useful lives less than 50 years, this can be accounted for by including replacement costs (*discussed below*).
- **Inflation and escalation.** For ease of analysis, applicants will assume zero future inflation and escalation of costs.
- **Discount rate.** Because benefits and costs are evaluated over a 50-year period, they must be discounted to reflect the value of money over time (*a dollar received today is worth more than one received in the future*). DWR uses a 6-percent discount rate.
- **Dollar value base year.** All benefits and costs will be expressed in current year dollars (*please indicate year*). If dollar estimates are only available for prior years, the following table can be used to update these costs to 1997 estimated price levels using the California Consumer Price Index for all urban consumers. The following table shows the C.P.I. for the years 1990 through 1997, along with the update factor. For example, using the 1990 update factor of 1.19 from this table, \$1,000 reported in 1990 dollars would be equivalent to \$1,190 in 1997 dollars. If you need to update costs to years following 1997, please contact Steve Cowdin of DWR at 916/653-8166 to obtain latest update factors.
- **Multiple-funded projects.** The economic analysis will be conducted for the entire

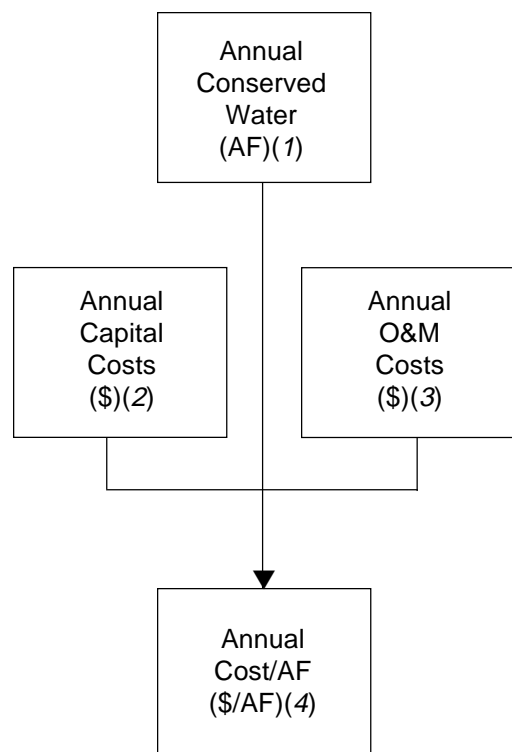
Year	California C.P.I. (1)	Update Factor
1990	135.0	1.19
1991	140.6	1.14
1992	145.6	1.10
1993	149.4	1.07
1994	151.5	1.06
1995	154.0	1.04
1996	157.1	1.02
1997	160.5	1.00

(1) Source: California Department of Finance

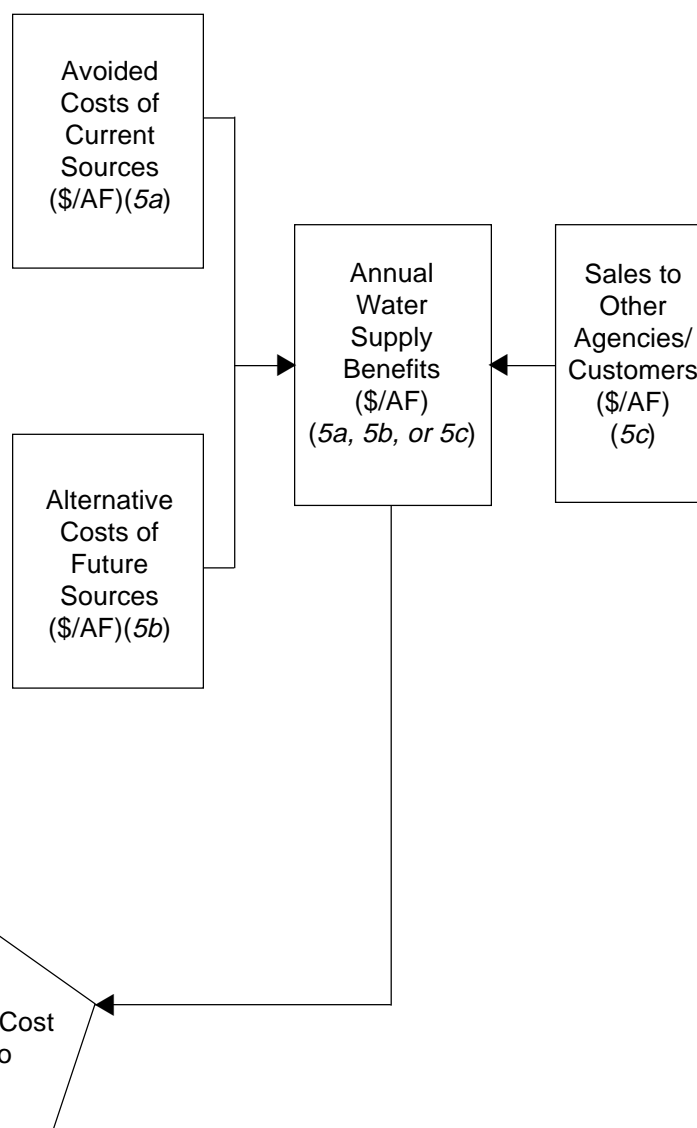
Figure D-1

Water conservation benefit/cost analysis

Costs



Benefits



Numbers in parentheses indicate Tables in Appendix III where the applicable estimated values must be entered.

project, regardless of funding sources. All project costs (*capital and O&M*) must be included in the economic analysis, even if the requested State loan only funds part of the project.

Following are instructions for completing Tables 1 through 6 on pages 33 to 36. These tables assume that the project's benefits and costs are relatively constant from year to year over the analysis period, which is not too unrealistic for most water conservation projects. However, if project benefits and costs are expected to vary greatly over the analysis period, or if there is a demand build-up which could affect these values, then you may wish to use another set of tables which analyze benefits and costs for each year of the analysis period (*the "long form" approach*). These other tables may be obtained from Steve Cowdin at 916/653-8166. All economic analysis tables in this application are available in spreadsheet form (*using EXCEL, QUATTRO PRO, or LOTUS*) for use with most IBM-compatible computers; call Steve Cowdin for details.

D-2 Project performance

Table 1 shows the expected total annual water savings (*in acre-feet*) to be realized from the project. This number should match the expected annual water savings developed in Section C-1 on page 22.

Mark the table as Attachment D-2.

D-3 Project costs

Project costs usually include capital (*construction*) and annual operations and maintenance (*O&M*) costs. Although some project costs are not fundable under this program, all costs required to achieve project benefits must be included in the economic evaluation. If the

project consists of multiple components, include all of them in the project budget.

Table 2 shows the capital costs required to plan and construct the project. Although capital costs can be spread over more than one year, Table 2 assumes that all capital costs are incurred in one year. In Table 2, enter costs for the following categories in column (b):

- Land Purchase/Easement
- Planning/Design/Engineering
- Materials/Installation
- Structures
- Equipment Purchases/Rentals
- Environmental Mitigation/Enhancement
- Construction Administration/Overhead
- Project Legal/License Fees
- Other

Table 2 includes allowances for a 15-percent contingency cost to be computed in column (d) for each of the above categories. Capital costs and associated contingency costs are added together in column (e); column (e) is then summed to a total near the bottom of the table. This total must match the Project Budget prepared in Section A-3. Total capital costs are then multiplied by a capital recovery factor (.0634) which annualizes the total capital cost over the 50-year analysis period using a 6-percent discount rate. This annualized capital cost is shown at the bottom of Table 2.

Note: Table 2 excludes financial costs, such as interest costs during construction and long-term debt service costs.

Table 3 summarizes annual operations and maintenance costs incurred once the project begins operations. These may include costs for administration, column (a); operations, column (b); maintenance, column (c); and "other," column (d). If a major component of the project requires replacement before the

end of the 50-year analysis period, then annual replacement costs should be included in the "other" category. Column (e) computes total annual O&M costs.

Table 4 computes the annual cost/af of the project by combining the annualized capital costs, column (a), with the annual O&M costs, column (b), and dividing by total annual water savings, column (d).

Mark the tables as Attachment D-3.

D-4

Project benefits

The value of the conserved water is determined by how the conserved water will be used. If the applicant has enough water supplies for the foreseeable future, then the water conserved by the project will allow that agency to reduce the amount of water purchased, diverted, or pumped from its most expensive current water supply source. However, if the applicant needs to augment water supplies to meet future demands, then the value to the water agency is measured by the least-cost alternative that may be eliminated or delayed because of the project.

Finally, if the applicant plans to sell all or part of the conserved water to existing customers, new customers, or other agencies, then the value of the conserved water can be measured by the expected price for which it is sold, thus generating revenue. Although in most cases only one of these benefits will apply, it is possible that a combination of benefits can occur. The "long-form" approach should be used in this situation.

Tables 5a, 5b, and 5c allow the applicant to compute the three types of water supply benefits that might result from the project.

For applicants with sufficient water supplies, Table 5a must be completed by listing the

current major sources of supply available to the agency in column (a), along with the cost/af of obtaining water from these sources in column (b). The most expensive source(s) are then chosen as the benefit measure, as these will be the likely sources from which supplies will be reduced as a result of the project.

For applicants needing to augment current supplies, Table 5b must be completed to identify the least-cost alternative that may be delayed or eliminated as a result of the project. The name of the alternative(s) is entered into column (a) and its associated capital costs are entered into column (b). Column (b) is multiplied by the capital recovery factor in column (c) to obtain annual capital costs for column (d), to which are added annual O&M costs in column (e) to obtain total annual costs in column (f). Dividing the total annual costs by the total annual supply in column (g) results in the annual cost/af for the alternative(s) in column (h).

Finally, if the applicant plans on selling all or a part of the conserved water supply, Table 5c is used. Column (a) lists the parties that may be potentially buying project supplies, column (b) lists the amount of water to be sold to each, and column (c) shows the projected selling price. However, depending upon hydrologic conditions, it is very likely that these water sales may not occur every year over the analysis period. In column (d), enter the expected frequency of sales as a percentage. For example, if sales are only expected to occur about half of the years, then .50 is entered in column (d). This percentage is then used to "adjust" the selling price in column (e) to obtain actual sales revenue (\$/AF). *(In reality, the selling price is not changing. However, a mathematical "adjustment" is required to account for sales not occurring every year.)*

Finally, if the applicant is likely to receive an "option fee" from the purchasing agency, then this is shown in column (f). *(An option fee is sometimes paid by a contracting agency to a selling agency to maintain the right of the contracting agency to buy water whenever needed. Although the water may not be purchased every year, the fee is usually paid every year.)* The option fee is then added to the actual sales revenue to obtain the final expected revenue (\$/AF) that can be realized from selling the conserved water, column (g).

Mark the tables as Attachment D-4.

D-5

Benefit/cost ratio

Table 6 on page 36 computes the B/C ratio from information developed in Tables 1 through 5. In the first row, the project's annual benefits (\$/AF) are entered. These benefits were developed in Table 5a, 5b or 5c. *(Although in most cases only one benefit value will be identified, it is possible that a combination of different benefits can occur. In these cases, the "long-form" approach should be used.)* In the second row, enter the project's annual costs (\$/AF) developed in Table 4. Dividing the project's annual benefits by its annual costs results in the B/C ratio, which must be equal to or greater than one for the project to be considered cost-effective.

Mark the table as Attachment D-5.

Part E—Engineering and hydrologic feasibility

"Engineering feasibility" means that the proposed project can be designed, constructed, and operated to accomplish its intended purposes and that it is planned in accordance with generally accepted engineering and environmental principles and concepts.

Sound hydrologic studies as well as information on water rights and the sufficiency of water supply are essential to the determination of engineering feasibility.

E-1

Certification statement

A certification statement regarding project feasibility must be signed by a California-registered civil engineer. The statement is found in Appendix IV on page 37. Include a citation of the reference sources used to document the statement findings, such as feasibility studies, engineering design studies, or water rights permits.

Mark the completed certification statement in Appendix IV and the citation of reference sources as Attachment E-1.

E-2

Project hydrology

Calculate the availability of water for the life of the project, which is assumed to be 50 years. Provide documentation that you have water rights, an agreement or a contract for the surface water, groundwater, or recycled water that you are currently using or propose to convey.

Provide a statement describing the agency's water rights to the water currently used, including the type, duration, quantity, and date when water rights were obtained. Provide copies of any contractual agreements governing the water rights. Cite all pertinent statutes.

Describe the agency's plan for use of any water conserved by the project, and describe the effect that this project may have on the above water rights.

If you have any questions concerning your water rights, contact the State Water Resources Control Board, Division of Water Rights, at 916/657-2170.

Mark as Attachment E-2.

E-3 Project reports

Submit copies of any studies previously prepared for the project (*such as feasibility studies, Environmental Impact Reports, etc.*). Discuss any reports in progress.

**Mark your responses and list
as Attachment E-3.**

E-4 Preliminary project plans and specifications

Provide a copy of preliminary project plans indicating type of construction, types and quantities of materials, dimensions, cross-sectional drawings, profile drawings (*if available*), locations, elevation, planned mitigation measures (*if required*), and other appropriate features. The preliminary plans need to be at least a 30-percent plan drawing. Provide a copy of project specifications, including citations of all standards used and all applicable health and safety specifications.

DWR recommends that a California-registered civil engineer prepare the preliminary plans and specifications. A California-registered civil engineer must prepare the final plans and specifications. Each final plan sheet and the cover sheet of the final specifications must be signed and stamped by a California-registered civil engineer.

Mark these items as Attachment E-4.

E-5 Construction inspection plan

Provide a detailed construction inspection plan describing who will inspect the site and project before, during, and after construction, and when inspections will be made.

Mark as Attachment E-5.

E-6 Department of Health Services, Drinking Water Field Operations Branch project approval

Obtain DHS, DWFOB project approval in writing from the local DHS District Engineer, if the proposed project will impact a domestic water supply. This approval must be obtained prior to the disbursement of funds. Approval needs to be obtained before initiating construction.

Mark as Attachment E-6.

Part F—Environmental documentation

The environmental, social, and economic impacts of the proposed project should be discussed in detail in the environmental documents required under the California Environmental Quality Act (CEQA) and the National Environmental Policy Act (NEPA).

The environmental documents must identify all of the anticipated adverse impacts associated with project construction and provide a plan to avoid or mitigate these impacts. The purpose of this section is not to reanalyze the environmental documentation supporting the proposed project but rather to identify critical constraints to implementing the project in a timely manner.

Environmental issues are often complex and sometimes require considerable time and expense to resolve adequately. **Any and all environmental documentation, including environmental impact reports, environmental impact statements, negative declarations, permits, and mitigation agreements must be completed before any loans can be approved by DWR.** For this reason, the local agency needs to determine if any issues exist which represent significant obstacles to implementing a proposed project.

F-1

California Environmental Quality Act and National Environmental Policy Act

Under the California Environmental Quality Act (*for the purposes of this program*), DWR is to be the "responsible agency" and the local agency is the "lead agency" for the proposed project. Before DWR can approve a loan for a project, the project's CEQA documentation must have circulated through the state clearinghouse process, and a Final Notice of Determination must be recorded and filed

with the local County Clerk, in the county where the project is located. A letter must be obtained from the agency's legal counsel which states that no legal challenges or protests were filed against the Negative Declaration or EIR during the 30-day Statute of Limitations period following the posting of the Notice of Determination.

For complete information on the CEQA process, obtain a copy of the California State Clearinghouse Handbook from the State of California Governor's Office, Office of Planning and Research, at 1400 Tenth Street, Sacramento, CA 95814, or call 916/445-0613.

To initiate the CEQA process, the agency must prepare an initial study, and then prepare either an EIR or a negative declaration. DWR must receive a copy of the Draft EIR so DWR's comments can be incorporated into the Final EIR, if the CEQA process has not gone past this point. Negative declarations must describe adequately why the project will not have adverse environmental impacts. Negative declarations need to include descriptions of specific mitigation measures that will reduce the environmental impacts of the proposed project. Since major construction projects may have a significant effect on the environment, DWR generally will not accept categorical exemptions.

Under CEQA, an agency must consult with all other government agencies having an interest in or responsibility for the project, the site, or the possible impacts of the project. DWR suggests contacting the California Department of Fish and Game and other local, State, and/or federal agencies early in the CEQA process. If the U.S. Fish and Wildlife Service or the Department of Fish and Game request a Fish and Wildlife Agreement for the proposed project, signed copies of the agreement need to be included in the CEQA/NEPA documentation and will be referenced in the DWR contract for the loan.

If the CEQA process for the project is not complete, the local agency must provide a descriptive plan and timetable showing the steps taken to complete the CEQA process, and provide copies of all CEQA-related documents. If the proposed project is within federal jurisdiction, the project may be subject to NEPA. In this case, also provide copies of all NEPA-related documents.

Complete the attached Environmental Impact Checklist in Appendix V on pages 39 to 45, using available information. If an Initial Study already has been prepared, provide a copy of the checklist accompanying that document.

Mark environmental documentation and Appendix V as Attachment F-1.

**F-2
Demonstration of community support and/or opposition**

Submit copies of any letters from local environmental organizations, community groups, political bodies, as well as newspaper articles demonstrating support for the proposed project.

Describe any opposition to the proposed project. Identify the party(ies) in opposition and briefly discuss the situation.

Mark as Attachment F-2.

**F-3
Permits, easements, acquisitions, certifications**

List and include copies of all required permits, easement rights, land acquisitions, and certification of approvals of federal, State, and local agencies. If the project requires Section 404 permits, or streambed alteration permits, address this in the CEQA/NEPA process. All environmental documentation must be obtained prior to contract execution.

"Environmental documentation" means written documentation prepared in compliance with all applicable laws and guidelines related to the protection of the environment and resources of the State, including but not limited to CEQA, NEPA, the Federal Clean Water Act, the California Fish and Game Code, the California Endangered Species Act, and the Federal Endangered Species Act. *(See Appendix VI on pages 47 to 50 for a list of possible required permits.)*

If the project will involve or impact a reservoir or dam of any dimension, provide a copy of the DWR Safety of Dams Certificate of Approval or a Statement of Exemption. If you have questions on dam safety, call the DWR Division of Safety of Dams at 916/445-7606.

Submit a plan and schedule for obtaining permits required for the project.

Mark as Attachment F-3.

Appendix I

Checklist of attachments

Complete this checklist to confirm all sections and attachments to this application package have been completed.

Part A

- ___ A-1 Application cover sheet
- ___ A-2 Agency representatives
- ___ A-3 Project cost
- ___ A-4 Plat map of service area
- ___ A-5 Authorizing resolution
- ___ A-6 Financial statements
- ___ A-7 Cash reserves
- ___ A-8 Existing debt
- ___ A-9 Repayment method
- ___ A-10 Loan security
- ___ A-11 Rate and service structure
- ___ A-12 Population data
- ___ A-13 Agency authority

Part B

- ___ B-1 Map and narrative description of project
- ___ B-2 Legal description of project site
- ___ B-3 Project timetable

Part C

- ___ C-1 Total annual water savings to be produced by proposed water conservation project (*Appendix III, Table 1*)
- ___ C-2 Project net water savings

Part D

- ___ D-1 Analysis assumptions
- ___ D-2 Project performance
- ___ D-3 Project costs (*Appendix III, Tables 2, 3, and 4*)
- ___ D-4 Project benefits (*Appendix III, Tables 5a, 5b, and 5c*)
- ___ D-5 Benefit/cost ratio (*Appendix III, Table 6*)

Part E

- ___ E-1 Engineering and hydrologic feasibility certification statement (*Appendix IV*)
- ___ E-2 Project hydrology
- ___ E-3 Project reports (*list of previous studies*)
- ___ E-4 Preliminary project plans and specifications
- ___ E-5 Construction inspection plan
- ___ E-6 DHS/DWFOB district engineer project approval (*if applicable*)

Part F

- ___ F-1 CEQA/NEPA documentation (*Appendix V*)
- ___ F-2 Demonstration of community support and/or opposition
- ___ F-3 Permits, easements, acquisitions, certifications (*Appendix VI*)

Appendix II

Sample resolution

Resolution No. _____

Resolved by the _____
(Governing body, city council, or other)

of the _____
(Agency, city, county, or other)

that pursuant and subject to all of the terms and provisions of the Safe, Clean, Reliable Water Supply Act and amendments thereto, application by this

_____ be made to the California Department of Water
(Agency, city, county, or other)
Resources to obtain a water conservation project construction loan.

The _____ of the
(Presiding officer, president, city manager, or other official)
_____ is hereby authorized and directed to
(Agency, city, county, or other)
prepare the necessary data, make investigations, sign, and file such application with the California Department of Water Resources.

Passed and adopted at a regular meeting of the _____
(Board of Directors, Supervisors, etc.)
of the _____
(Agency, city, county, or other)

on _____ .
(Date)



Authorized
Signature _____

Printed Name _____

Title _____

Clerk/Secretary _____

Appendix III

Benefit/cost analysis—water conservation

Table 1—Project performance

Total Annual Water Savings (AF) (1)	
---------------------------------------	--

(1) From Section C-1

Table 2—Capital costs

	Capital Cost Category	Cost	Contingency Costs		Subtotal
	(a)	(b)	Percent (c)	Dollars (d) <i>(b x c)</i>	(e) <i>(b + d)</i>
(a)	Land Purchase/Easement		0.15		
(b)	Planning/Design/Engineering		0.15		
(c)	Materials/Installation		0.15		
(d)	Structures		0.15		
(e)	Equipment Purchases/Rentals		0.15		
(f)	Environmental Mitigation/ Enhancement		0.15		
(g)	Construction Administration/ Overhead		0.15		
(h)	Project Legal/License Fees		0.15		
(i)	Other		0.15		
(j)	Total (1) <i>(a + ... + i)</i>				
(k)	Capital Recovery Factor .0634 (6%; 50 years)				
(l)	Annual Capital Costs <i>(j x k)</i>				

(1) Costs must match Project Budget prepared in Section A-3

Table 3—Annual operations and maintenance costs

Administration (a)	Operations (b)	Maintenance (c)	Other (d)	Total (e)

Table 4—Annual cost/af

Annual Capital Costs (1) (a)	Annual O&M Costs (2) (b)	Total Annual Costs (c) (a + b)	Total Annual Water Savings (AF) (3) (d)	Costs/AF (e) (c / d)

(1) From Table 2

(2) From Table 3

(3) From Table 1

Table 5—Water supply benefits**5a—Avoided costs of current supply sources**

Supply Sources (a)	Cost of Water (\$/AF) (b)

5b—Alternative costs of future supply sources

Future Supply Sources (a)	Total Capital Costs (\$) (b)	Capital Recovery Factor (1) (c)	Annual Capital Costs (\$) (d) <i>(b x c)</i>	Annual O & M Costs (\$) (e)	Total Annual Costs (\$) (f) <i>(d + e)</i>	Annual Supply (AF) (g)	Annual Cost (\$/AF) (h) <i>(f / g)</i>
		.0634					
		.0634					
		.0634					
		.0634					
		.0634					

(1) 6% discount rate; 50 years

5c—Water sales revenue (vendibility)

Parties Purchasing Project Supplies (a)	Amount of Water to be Sold (1) (AF) (b)	Projected Selling Price (\$/AF) (c)	Expected Frequency of Sales (2) (%) (d)	Actual Sales Revenue (\$/AF) (e) <i>(c x d)</i>	"Option" Fee (3) (\$/AF) (f)	Total Sales Revenue (\$/AF) (g) <i>(e + f)</i>

- (1) Maximum amount of water available to be sold per year; must not exceed amount shown in Table 1.
- (2) During the 50-year analysis period, what percentage of years are water sales expected to occur? For example, if water will only be sold half of the years, enter 0.5.
- (3) "Option" fees are sometimes paid by a contracting agency to a selling agency to maintain the right of the contracting agency to buy water whenever needed. Although the water may not be purchased every year, the fee is usually paid every year.

Table 6—Benefit/cost ratio

(a)	Annual Project Benefits (\$/AF) (1)	
(b)	Annual Project Costs (\$/AF) (2)	
(c)	Benefit/Cost Ratio (a / b)	

(1) From Table 5a, 5b, or 5c.

(2) From Table 4.

Appendix IV

Certification statement

Engineering and hydrologic feasibility statement

I, _____, California-registered civil engineer, have reviewed the information presented in support of this application. Based on this information, and any other knowledge I have regarding the proposed project, I find that it can be designed, constructed, and operated to accomplish the purpose for which it is planned. There is a sufficient water supply for the project. The information I have reviewed to document this statement includes (*provide list, e.g., feasibility studies, engineering design studies, water rights permits, etc.*):

(Signature and stamp with expiration date)

Appendix V

Environmental impact checklist

Evaluation of environmental impacts:

- 1) A brief explanation is required for all answers except "No Impact" answers that are adequately supported by the information sources a lead agency cites in the parentheses following each question. A "No Impact" answer is adequately supported if the referenced information sources show that the impact simply does not apply to projects like the one involved (*e.g., the project falls outside a fault rupture zone*). A "No Impact" answer should be explained where it is based on project-specific factors as well as general standards (*e.g., the project will not expose sensitive receptors to pollutants, based on a project specific screening analysis*).
- 2) All answers must take account of the whole action involved, including off-site as well as on-site, cumulative as well as project-level, indirect as well as direct, and construction as well as operational impacts.
- 3) "Potentially Significant Impact" is appropriate if there is substantial evidence that an effect is significant. If there are one or more "Potentially Significant Impact" entries when the determination is made, an EIR is required.
- 4) "Negative Declaration: Potentially Significant Unless Mitigation Incorporated" applies where the incorporation of mitigation measures has reduced an effect from "Potentially Significant Impact" to a "Less Significant Impact." The lead agency must describe the mitigation measures, and briefly explain how they reduce the effect to a less than significant level (*mitigation measures from Section XVII, "Earlier Analysis," may be cross-referenced*).
- 5) Earlier analysis may be used where, pursuant to the tiering, program EIR, or other CEQA process, an effect has been adequately analyzed in an earlier EIR or negative declaration. Section 15063(c)(3)(D). Earlier analyses are discussed in Section XVII at the end of the checklist.
- 6) Lead agencies are encouraged to incorporate into the checklist references to inform sources for potential impacts (*e.g., general plans, zoning ordinances*). Reference to a previously prepared or outside document should, where appropriate, include a reference to the page or pages where the statement is substantiated. A source list with numbered items should be attached; reference the applicable numbers within the parentheses in the checklist. Other sources used or individuals contacted should also be cited in the discussion.

ENVIRONMENTAL IMPACT CHECKLIST:

	Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less than Significant Impact	No Impact
I. LAND USE AND PLANNING. <i>Would the proposal:</i>				
a) conflict with general plan designation or zoning? (source #:)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) conflict with applicable environmental plans or policies adopted by agencies with jurisdiction over the project? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) be incompatible with existing land use in the vicinity? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) affect agricultural resources or operations (e.g., impacts to soils or farmlands, or impacts from incompatible land uses)? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) disrupt or divide the physical arrangement of an established community (including a low-income or minority community)? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
II. POPULATION AND HOUSING. <i>Would the proposal:</i>				
a) cumulatively exceed official regional or local population projections? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) induce substantial growth in an area either directly or indirectly (e.g., through projects in an undeveloped area or extension of major infrastructure)? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) displace existing housing, especially affordable housing? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
III. GEOLOGIC PROBLEMS. <i>Would the proposal result in or expose people to potential impacts involving:</i>				
a) fault rupture? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) seismic ground shaking? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) seismic ground failure, including liquefaction? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) seiche, tsunami, or volcanic hazard? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) landslides or mudflows? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f) erosion, changes in topography or unstable soil conditions from excavation, grading, or fill? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g) subsidence of land? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
h) expansive soils? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
i) unique geologic or physical features? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
IV. WATER. <i>Would the proposal result in:</i>				
a) changes in absorption rates, drainage patterns, or the rate and amount of surface runoff? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) exposure of people or property to water-related hazards such as flooding? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) discharge into surface waters or other alteration of surface water quality (e.g., temperature, dissolved oxygen or turbidity)? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) changes in the amount of surface water in any water body? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

ENVIRONMENTAL IMPACT CHECKLIST:
(continued)

	Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less than Significant Impact	No Impact
e) changes in currents, or the course of direction of water movements? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f) change in the quantity of ground waters, either through direct additions or withdrawals, or through interception of an aquifer by cuts or excavations or through substantial loss of ground-water recharge capability? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g) altered direction of rate of flow of groundwater? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
h) impacts to groundwater quality? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
i) substantial reduction in the amount of groundwater otherwise available for public water supplies? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
V. AIR QUALITY. <i>Would the proposal:</i>				
a) violate any air quality standard or contribute to an existing or projected air quality violation? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) expose sensitive receptors to pollutants? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) alter air movement, moisture, or temperature, or cause any change in climate? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) create objectionable odors? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
VI. TRANSPORTATION/CIRCULATION. <i>Would the proposal result in:</i>				
a) increased vehicle trips or traffic congestion? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) hazards to safety from design features (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) inadequate emergency access or access to nearby uses? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) insufficient parking capacity onsite or offsite? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) hazards or barriers for pedestrians or bicyclists? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f) conflicts with adopted policies supporting alternative transportation (e.g., bus turnouts, bicycle racks)? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g) rail, waterborne, or air traffic impacts? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
VII. BIOLOGICAL RESOURCES. <i>Would the proposal result in impacts to:</i>				
a) endangered, threatened, or rare species or their habitats (including but not limited to plants, fish, insects, animals, and birds)? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) locally designated species (e.g., heritage trees)? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) locally designated natural communities (e.g., oak forest, coastal habitat, etc.)? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

ENVIRONMENTAL IMPACT CHECKLIST:
(continued)

	Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less than Significant Impact	No Impact
d) wetland habitat (e.g., marsh, riparian, and vernal pool)? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) wildlife dispersal or migration corridors? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
VIII. ENERGY AND MINERAL RESOURCES. <i>Would the proposal:</i>				
a) conflict with adopted energy conservation plans? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) use nonrenewable resources in a wasteful and inefficient manner? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) result in the loss of availability of a known mineral resource that would be of future value to the region and the residents of the State? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
IX. HAZARDS. <i>Would the proposal involve:</i>				
a) a risk of accidental explosion or release of hazardous substances (including, but not limited to, oil, pesticides, chemicals, or radiation)? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) possible interference with an emergency response plan or emergency evacuation plan? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) the creation of any health hazard or potential health hazard? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) exposure of people to existing sources of potential health hazards? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) increased fire hazard in areas with flammable brush, grass, or trees? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
X. NOISE. <i>Would the proposal result in:</i>				
a) increases in existing noise levels? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) exposure of people to severe noise levels? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
XI. PUBLIC SERVICES. <i>Would the proposal have an effect upon, or result in a need for new or altered government services in any of the following areas:</i>				
a) fire protection? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) police protection? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) schools? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) maintenance of public facilities, including roads? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) other government services? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
XII. UTILITIES AND SERVICE SYSTEMS. <i>Would the proposal result in a need for new systems or supplies, or substantial alterations to the following utilities:</i>				
a) power or natural gas? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) communications systems? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) local or regional water treatment or distribution facilities? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

ENVIRONMENTAL IMPACT CHECKLIST:
(continued)

	Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less than Significant Impact	No Impact
d) sewer or septic tanks? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) storm water drainage? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f) solid waste disposal? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g) local or regional water supplies? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
XIII. AESTHETICS. <i>Would the proposal:</i>				
a) affect a scenic vista or scenic highway? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) have a demonstrable negative aesthetic effect? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) create light or glare? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
XIV. CULTURAL RESOURCES. <i>Would the proposal:</i>				
a) disturb paleontological resources? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) disturb archaeological resources? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) have the potential to cause a physical change which would affect unique ethnic cultural values? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) restrict existing religious or sacred uses within the potential impact area? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
XV. RECREATION. <i>Would the proposal:</i>				
a) increase the demand for neighborhood or re- gional parks or other recreational facilities? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) affect existing recreational opportunities? ()	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
XVI. MANDATORY FINDINGS OF SIGNIFICANCE.				
a) Does the project have the potential to degrade the quality of the environmental, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self- sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Does the project have the potential to achieve short-term, to the disadvantage or long-term, environmental goals?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Does the project have impacts that are individu- ally limited, but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects.)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**ENVIRONMENTAL IMPACT CHECKLIST:
(continued)**

	<i>Potentially Significant Impact</i>	<i>Potentially Significant Unless Mitigation Incorporated</i>	<i>Less than Significant Impact</i>	<i>No Impact</i>
d) Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

XVII. EARLIER ANALYSIS.

Earlier analysis may be used, where pursuant to the tiering, program EIR, or other CEQA process, one or more effects have been adequately analyzed in an earlier EIR or negative declaration. Section 15063(c)(3)(D). In this case, a discussion should identify the following on attached sheets:

- a) **Earlier analyses used.** Identify earlier analyses and state where they are available for review.
- b) **Impacts adequately addressed.** Identify which effects from the above checklist were within the scope of and adequately analyzed in an earlier document pursuant to applicable legal standards, and state whether such effects were addressed by mitigation measures based on the earlier analysis.
- c) **Mitigation measures.** For effects that are "Less and Significant with Mitigation Incorporated," describe the mitigation measures which are incorporated or refined from the earlier document and the extent to which they address site-specific conditions for the project.

Authority: Public Resources Code Sections 21083 and 21087.

Reference: Public Resources Code Sections 21080(c), 21080.1, 21083, 21083.3, 21093, 21094, 21151; *Sunstrum v. County of Mendocino*, 202 Cal.App.3d 296 (1988); *Leonoff v. Monterey Board of Supervisors*, 222 Cal.App.3d 1337 (1990).

Appendix VI

Permit checklist

Consider whether any of the permits listed in this Appendix are needed for construction of your project. Discuss in Section F on pages 29 and 30. Note: an asterisk (*) indicates that you must obtain these permits, if applicable, prior to contract execution.

Type I: Is the project located in the areas listed?

<u>Geographic Area</u>	<u>Agency</u>	<u>Permit</u>
From 3 miles offshore to 1,000 yards inland	Coastal Commission	Coastal Development Permit
San Francisco, San Pablo, and Suisun bays from high water to 100 feet inland	San Francisco Bay Conservation and Development Commission	Development Permit
Suisun Marsh	San Francisco Bay Conservation and Development Commission	Marsh Development Permit
Lake Tahoe Watershed	Tahoe Regional Planning Agency	Development Permit
Floodways in the Central Valley	The Reclamation Board	Encroachment Permit
*Navigable waterways or streams affecting navigable waterways	U.S. Army Corps of Engineers	Section 10 Permit
*Wetlands, including coastal and inland waters, lakes	U.S. Army Corps of Engineers	Section 404 Permit for disposal of dredged material or placement of any fill material into wetlands, lakes, rivers or tributaries
	Regional Water Quality Control Board	Section 401 Certification
*Wild and Scenic Rivers	The Resources Agency	Approval of diversions; Finding of Compatibility

Type II: Does the project affect any of the resources listed?

<u>Resource</u>	<u>Agency</u>	<u>Permit</u>
Air	Air Pollution Control District	Authority to Construct and Permit to Operate for Activities emitting pollutants to the atmosphere
*Fish and Wildlife Habitat	U.S. Fish and Wildlife Service	Fish and Wildlife Agreements
	Department of Fish and Game	Streambed or Lake Alteration Agreements for Activities in streams or lakes and channels, and crossing spawning gravel protection
	Department of Fish and Game	Fish and Wildlife Agreements
*Water Rights	State Water Resources Control Board, Regional Boards	Permit to Appropriate and State of Diversion and Use for Activities diverting surface water not previously appropriated
*Water Quality	State Water Resources Control Board, Regional Boards	National Pollutant Discharge Permit or Waste Discharge Requirements for discharges to surface water; Water Reclamation Requirements
*Wetlands, including coastal and inland waters, lakes, rivers	U.S. Army Corps of Engineers	Section 404 Permit for disposal of dredged material or placement of any fill material into wetlands, lakes, rivers, or tributaries
*Navigable waters and tributaries to them	U.S. Army Corps of Engineers	Permit for dredging, filling dock, groins, land jetties or for any obstruction or effect on the capacity of navigable waters
Navigable water and tributaries to them	Federal Energy Regulatory Commission	FERC License

Type II: Does the project affect any of the resources listed? *(continued)*

<u>Resource</u>	<u>Agency</u>	<u>Permit</u>
Beds of navigable waters	State Lands Commission	Land Use Lease for encroachments and docks
*Endangered Species	U.S. Fish and Wildlife Service	Section 10a Incidental Take Permit
	Department of Fish and Game	Incidental Take Permit
Drinking Water	Department of Health Services	Title 22 Drinking Water Standards

Type III: Does the project involve any of the following activities?

<u>Activity</u>	<u>Agency</u>	<u>Permit</u>
Power plants and transmission lines	California Energy Commission	Notice of Intention and Application for Certification
Generation of electrical power	Federal Energy Regulatory Commission	FERC Permit
Conversion of timberland to other uses	Department of Forestry	Timberland Conversion Permit
Cancellation of a Williamson Act Open Space	The Resources Agency	Approval of the Waiver of a Contract Cancellation Fee
Bridge Construction	U.S. Coast Guard	Permit for bridges and causeways over navigable waters
Mineral prospecting and extraction of State lands	State Lands Commission	Prospecting Permit and Extraction Lease
Oil or gas well	Department of Conservation, Division of Oil and Gas	Oil or Gas Well Permit
Geothermal well	Department of Conservation, Division of Oil and Gas	Geothermal Well Permit

Type III: Does the project involve any of the following activities? *(continued)*

<u>Activity</u>	<u>Agency</u>	<u>Permit</u>
Geothermal prospecting and development on State lands	State Lands Commission	Geothermal Prospecting Permit and Extraction Lease
Encroachment on or across a State highway	Department of Transportation	Encroachment Permit; Utility Encroachment Permit
Construction, alteration, maintenance, operation, and removal of dams or reservoirs	Department of Water Resources, Division of Safety of Dams	Approval of Plans
Construction or alteration of dams	Federal Energy Regulatory Commission	FERC License
Dredging	Department of Fish and Game	Standard or Special Suction
Removal of sand, gravel, and dredge spoils from State-owned lands	State Lands Commission	Grant or Privilege
*Dredging or placement of fill or other materials or structure in wetlands	U.S. Army Corps of Engineers	404 Permit
	Regional Water Quality Control Board	401 Certification
*Water diversion from a State wild or scenic river	The Resources Agency	Determination of Need and No Adverse Effect
Surface mining	City or County	Reclamation Plan

Type IV: Property rights

Considerations

- Who owns or controls the land? (*Private owner, lessee, public agency owner?*)
- Does the loan applicant have the landowner's permission?